

VZCZCXYZ0001  
RR RUEHWEB

DE RUEHBO #2274/01 0942204  
ZNR UUUUU ZZH  
R 042204Z APR 07  
FM AMEMBASSY BOGOTA  
TO RUEHC/SECSTATE WASHDC 3934  
INFO RUEHBR/AMEMBASSY BRASILIA 7471  
RUEHCV/AMEMBASSY CARACAS 8860  
RUEHLP/AMEMBASSY LA PAZ APR LIMA 4923  
RUEHZP/AMEMBASSY PANAMA 0159  
RUEHQT/AMEMBASSY QUITO 5556  
RUEAIIA/CIA WASHDC  
RUEKJCS/SECDEF WASHDC

UNCLAS BOGOTA 002274

SIPDIS

SIPDIS

E.O. 12958: N/A  
TAGS: [ECON](#) [EAGR](#) [PGOV](#) [PTER](#) [SOCI](#) [CO](#)  
SUBJECT: PALM OIL CREATES OPPORTUNITIES AND RISKS FOR  
AFRO-COLOMBIAN COMMUNITIES

-----  
Summary  
-----

¶1. Colombia is increasing production and export of African palm oil as a sustainable alternative to coca. There are a small number of high-profile accusations that palm oil producers, possibly in concert with paramilitaries, illegally seized land from Afro-Colombian communities for palm cultivation. These communities are especially vulnerable to exploitation because of ambiguous land ownership, weak internal organizations, and a history of violence in the Pacific coast region. The number of such cases is unlikely to dramatically increase, and the GoC is focused on the problem.

-----  
A Sustainable Alternative to Coca  
-----

¶2. Colombia is ramping up African palm oil production. President Uribe extols its virtues as a sustainable source of biofuel, and alternative to coca. The amount of land under palm oil cultivation has doubled to 400,000 hectares since 2002, and is projected to increase by about 50,000 hectares per year over the next decade. The number of Colombians directly employed in the industry has climbed from 30,000 to close to 50,000 in the past five years. Colombia is now the world's fourth largest exporter of palm oil, exporting USD 100 million annually, with demand expected to grow.

¶3. The model for palm oil production is shifting from large plantations to strategic alliances between small farmers and larger companies that process and sell the palm oil using the cooperative model. Human rights and Afro-Colombian groups generally critical of the palm oil industry admit the benefits of this system for farmers, and agree it reduces adverse environmental impacts. However, they worry over increasing debts among small farmers, with some calling the system, a "new slavery." In March a virus with potentially devastating impact on African palm was found in Colombia, which could damage small farmers and increase opposition to palm cultivation.

¶4. USAID is supporting community and association-led African palm investments on 50,000 hectares, representing over 10 percent of Colombia's total production. USAID recognizes that land tenure and environmental problems have been associated with palm oil cultivation. All projects are vetted to ensure they are not linked to displacement, and consultations with human rights and Afro-Colombian groups are

conducted prior to project approval. USAID is developing a new protocol to ensure that communal land tenure rights are fully protected and that Afro-Colombian and indigenous communities are involved in all of its economic development projects. Moreover, USAID is initiating a program to help strengthen consejos comunitarios.

-----  
Palm Cultivation Displaces Afro-Colombian Communities  
-----

15. Afro-Colombian and human rights groups say armed groups have forced Afro-Colombians off dozens of communal territories in the Pacific coast to grow palm oil. Still, only a small number of cases have been documented. Communal territories are a relatively new legal entity, created in accordance with the 1991 Constitution, that cannot legally be bought or sold. More than 5 million hectares of communal lands are in the Pacific coast region where the country's highest percentage of Afro-Colombians reside.

16. Populations in the Afro-Colombian communities of Jiguamiando and Curvarado in Choco Department were displaced by paramilitaries and other illegal groups in the late 1990s through targeted assassinations of community leaders. When they returned in 2001-2002, they found palm oil plantations covering almost a third of their land. GoC agricultural agencies had financially supported the plantations, but the GoC's land titling agency, INCODER, ultimately ruled in favor of the Afro-Colombians after the agency discovered the palm oil companies' claims were based on false documents. The Minister of Agriculture promised the lands will be returned to the communities by the end of April.

17. In the Tumaco region of the Narino department, palm oil companies also claimed contracts pre-dating communal territories on about 800 hectares. The contracts were not false, but the GoC determined that they were invalid because they were entered into after the companies knew communal territories were going to be created in the area. The embassy will continue to monitor these cases.

18. Our contacts tell us there are likely smaller, unpublicized cases of illegal palm plantations in the Pacific coast region. But the GOC's increased focus on the problem--and high palm production costs in the Pacific coast--have deterred new land takeovers. Due to poor infrastructure, palm oil production is between 15-25 percent more expensive in the Pacific coast region than in other parts of the country, and accounts for only about 10 percent of Colombia's production--most of it legal on privately owned land. Contacts think palm cultivation garners more attention than the number of cases warrants because it symbolizes critical issues such as the plight of Afro-Colombians, violence and forced displacement, and paramilitary activities.

-----  
Why Target Afro-Colombian Communities?  
-----

19. The structure and recent history of territorial communities means they have unique vulnerabilities that increase their odds of being targeted. Afro-Colombian "consejos comunitarios" have to approve all land use. But they are often weakly organized without clear guidelines on who makes decisions. Afro-Colombian groups claim there are numerous cases of palm cultivation in communal territories where companies ignored consejos and instead made deals directly with individuals claiming to be in charge. Fear of additional violence is also a factor: perceived relationships between palm oil companies and ex-paramilitary organizations give companies enormous leverage when making land deals.

110. Cloudy land title in Afro-Colombian communities creates opportunities for exploitation. Unresolved claims usually

pre-date communal territories, some literally dating back to the Spanish colonial period. In the Jiguamiando and Curvarado cases, claims by peasants who were granted land in the area decades ago complicated ownership, and palm oil companies took advantage of this. Property lines are equally unclear, and plantations have sometimes encroached into communal territories. Contacts tell us that corruption--local officials issuing false documents--contributes to the problem.

Drucker